GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:15
ANSWERED ON:24.07.2006
LIFTING OF WHEAT FOR EXPORT
Jha Shri Raghunath

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Public Sector Undertakings (PSUs)/private exporters have lifted wheat and rice from Food Corporation of India for export since 2000-2001;

(b) if so, the details thereof;

(c) whether some PSUs/private exporters diverted this wheat and rice to the domestic market instead of exporting the same;

(d) if so, the details thereof;

(e) the number of cases filed against such PSUs/private exporters till-date; and

(f) the progress made therein?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a)&(b): The Wheat and rice lifted for export from FCI are shown below:

(Qty. in lakh MT)

Years	Wheat	Rice	Total
2000-01	20.43	0.42	20.85
2001-02	39.65	23.50	63.15
2002-03	67.93	80.71	148.64
2003-04	70.69	30.71	101.40
2004-05#	07.45	0.90	08.35
Total	206.15	136.24	342.39

(upto Sept; 04)

(c), (d), (e) & (f): There are no specific reports available indicating the diversion of wheat and rice stocks, lifted from FCI, to the domestic market for exports. However, there are few instances of submission of forged documents by the parties, where necessary penal action has been taken, as per Annexure.

ANNEXURE

ANNUXURE REFERRED TO IN REPLY TO PARTS (c) TO (f) OF THE UNSTARRED QUESTION NO.15 DUE FOR ANSWER ON 24.07.2006 IN THE LOK SABHA.

Action Taken Report on submission of Forged documents by exporters in Export of foodgrains from Central Pool.

1. M/s R.K. Exports, Bhopal (M.P.) had submitted forged document for supply of 2000 MT rice issued on February, 2003 from Patiala. Notice has been served on Dena Bank, MP Nagar, Bhopal, for encashment of Bank Guarantee furnished by the party valuing Rs.12.00 lakh and Rs.75 lakh, within the validity period. However, the payment is yet to be remitted by the Dena Bank despite repeated reminders/notices. CBI Bhopal has also registered a case in this regard against this party.

2. M/s Singhal Exporters, Bhopal, submitted export documents in District office, Ferozpur for supply of 2745 MTs of par-boiled rice, issued in February, 2003. Bank Guarantee worth Rs.90 lakh furnished by the party, was found forged by the Bank and the case is being investigated by the CBI, Bhopal as informed by Dena Bank, Bhopal.

3. M/s City Shoes, an associate of NCCF had diverted 2200 MTs of raw rice out of a quantity of 12,500 MTs of rice allotted to them between March and July, 2002. This is under investigation by the CBI. FCI has recovered the difference between the Open Market

Sales Scheme (Domestic) price and effective export price for the above mentioned quantity from NCCF. CBI is investigating the case and a chargesheet has been filed in the Court of law in this regard.

4. M/s A.K. Flour Mills Pvt. Ltd., Ankleswar, District Bharuch, Gujarat had submitted forged and fabricated exports documents for 1820 MTs of wheat and the party failed to submit documents for another 500 MT wheat (total default 2320 MTs). Bank Guarantees worth Rs.54,40,000/- towards differential cost of foodgrains has been encashed. Besides, FIR was also lodged against the party and Money Suit filed for Rs.12,90,792/- recoverable from the Party against differential cost plus interest at the rate of 18%. Matter pending with Court. The said party has been black-listed by the FCI.

5. In Haryana Region M/s Hemant International, Kurukshetra submitted forged documents for the quantity of 2000 MT Raw Rice supplied in Septermber, 2002 and Bank Guarantee for sum of Rs.71,80,000/- was encashed besides, differential cost was also recovered by the District Office Kurukshetra. Now, District Office, Kurukshetra has intimated that after investigation, the local police has closed the case as there is no loss to Food Corporation of India.

6. NCCF, Kolkata, had submitted forged export document for the quantity of 534.406 MT of wheat issued from West Bengal region for export to Bhutan vide allocation order dated 11.06.2002/27.06.2002. The differential cost of foodgrains with interest stands recovered from the exporter as per the policy instructions.